

CONSUMERS

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Guide

VOLUME IV, NUMBER 20

JANUARY 3, 1938



WHAT WILL CONSUMERS DO IN 1938?

FOR THE NEW YEAR

FROM QUEEN ELIZABETH'S PRIVATE PRAYER BOOK, 1587

"Thou, O Lord, provideth enough for all men with Thy most liberal and bounteous hand, but whereas Thy gifts are, in respect of Thy goodness and free favor, made common to all men, we, through our naughtiness, niggardship, and distrust, do make them private and peculiar. Correct Thou the thing which our iniquity hath put out of order, and let Thy goodness supply that which our niggardliness hath plucked away."

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Resolutions

I WISH CONSUMERS WOULD MAKE for 1938

A dozen targets for consumers who want to make
their buying power count toward a better new year

1587 I THINK that women as consumers
should make it their business to
know more about the quality of
the goods which they buy, and
to consider the conditions under
which these goods are produced.
If they do this, I feel sure that
many changes could be effected
which would be beneficial to the
general public.

Therese Randall





MY WISH for consumers in 1938 is that they may be aware of consumer needs and producer needs, and of the relationship between the two. Only as people become conscious of this interdependence, are we likely to achieve a fundamental solution of consumer problems and a solid foundation of prosperity for producers. My wish is for united support of measures seeking balanced production of the goods we all need and want, at prices low enough to insure distribution for consumption but high enough to keep the production coming without destruction of our natural resources or of our democratic processes. The ever normal granary plan, adapted to practical programs, will work toward these ends by insuring both farmers' incomes and consumers' food supplies against the risks of alternating gluts and scarcity.

Henry A. Wallace
Secretary of Agriculture



I HOPE that in 1938 consumers will recognize and support the efforts of farmers to carry on and make permanent their program of agricultural conservation. We all have a vital stake in action to safeguard our basic resources. Exploitation of our farms will in the long run hurt us all, for an impoverished soil inevitably means an impoverished people. Conservation on the other hand will make possible continued and efficient production, and with it larger supplies of food and fiber at fair prices for the Nation's consumers.

H. R. Tolley

Administrator,
Agricultural Adjustment Administration

CONSUMERS' GUIDE

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HERE is a resolution for the homemakers of our country: That during 1938 they will give more thought to selecting food that will promote the family's and the nation's health.

The protective foods—dairy products, fruits, vegetables, and eggs—help to safeguard health. Meats, breads, fats, and sugars furnish building material and energy. Quality and price alone are no measure of food value. It is good economy to choose quality and grade to fit the family budget and the family needs. Low-cost foods may yield high returns in food value.

Louise Stanley
Chief,
U. S. Bureau of Home Economics



THE RECENT TRAGEDY from the consumption of Elixir Sulfanilamide in which approximately 100 lives were lost, including many children, aroused national resentment. If the imminent possibility of a repetition of this catastrophe is fully realized it is certain to galvanize an erstwhile inactive interest into an irresistible demand for positive protection.

If consumers resolve for 1938 that food products must be honestly made and honestly sold, then we will get the kind of protection that will make it impossible to market death-dealing drugs.

No more important New Year resolution could be made by consumers than one to evince an aggressive interest in the quality of our food and drug supply.

W. E. Ransaw
Chief,
Food and Drug Administration





FOUR NEW YEAR'S RESOLUTIONS ON COAL AND HOW TO KEEP THEM

1. *Know your coal*

Know what it contains, where it comes from, its suitability for your purpose, so that you may obtain the maximum heat for the least cost.

2. *Know the truth on prices*

High retail prices may result from abuse of marketing practices, excessive transportation charges, or a desire for an undue profit. You can now get official information on all these.

3. *Know your equipment*

Use the type of coal best suited for it. Keep it in good condition. Keep informed of new types of equipment; some of it is so improved as to warrant in savings a complete replacement of even relatively modern heating plants.

4. *Know your dealer*

The dealer can get analyses of the coals he sells; he can advise you on your equipment; he can explain to you his own cost of doing business and its bearing on the price he asks.

HOW TO KNOW

If you have difficulty in securing information on any of these factors in your heating problem, write to your Consumers' Counsel, National Bituminous Coal Commission, Washington, D. C.

John Carson

Consumers' Counsel,
National Bituminous Coal Commission

FOR over-the-counter buyers throughout the country, I would make the following wishes:

That consumers may more generally accept the fact that a performance specification is the best foundation for intelligent buying, because it insures quality without limiting freedom of choice in other respects.

That consumer groups may cooperate actively with manufacturers in developing performance specifications for goods sold over the counter; that these specifications shall be worked out so effectively that they will be nationally recognized; and that manufacturers will label their goods guaranteeing compliance with these specifications for the convenience and guidance of the over-the-counter purchaser.

Lyman J. Briggs

Director,
National Bureau of Standards



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THE RESOLUTIONS I wish consumers would make for 1938 are these:

(1) That I shall carefully study the Government grades for canned fruits and vegetables in order that I may know the uses I may make of each particular grade.

(2) That I shall endeavor to have my neighbors and members of my club make similar studies.

(3) That I shall immediately find out what stores in my neighborhood now sell or will get for me canned fruits and vegetables plainly labeled in the terms of the Government grades.

(4) That I shall purchase canned foods labeled with Government terms because I want each item for a specific purpose. When the grade is stated, I can intelligently make my selections, and keep within my budget.

W. W. Williams
Marketing Specialist,

Bureau of Agricultural Economics



CONSUMERS might make these resolves for the New Year:

(1) That I shall ask my butcher for U. S. graded and stamped beef, lamb, and veal, and U. S. Certified ham, bacon and sausage products.

(2) That in the event he tells me that he does not handle U. S. graded meat I shall continue to ask for it and ask my friends to do the same.

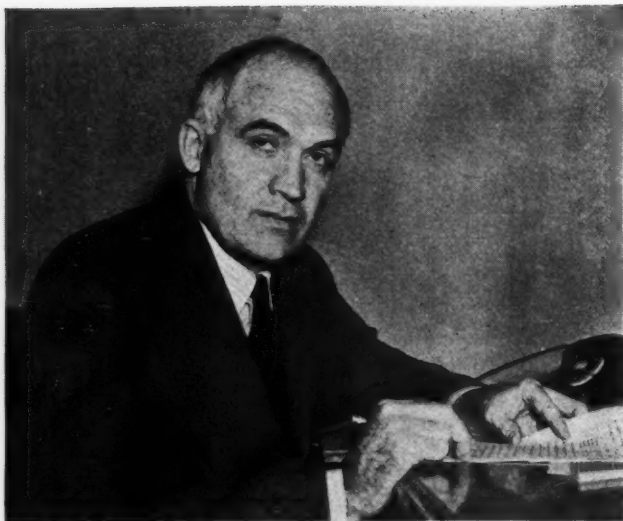
(3) That if I am told that the round purple B. A. I. stamp is the grade stamp I shall correct the statement, because the round purple stamp is a mark of sanitary inspection, not of quality.

(4) That I shall give U. S. graded and stamped meats a fair trial during the year and decide for myself whether grading helps me to select the meats most suitable for my purposes.

C. V. Whalley

Marketing Specialist,
Bureau of Agricultural Economics





FOR 1938, consumers should resolve to continue to support the Consumers' Cooperatives. Through the Cooperatives, consumers in the United States are finding a means of expressing their vital interests in prices, quality, and organization. During the past year the Cooperative movement has shown marked progress in the United States, and for 1938 the prospects are that its development will be equally as noteworthy.

Frank B. Rowland

Director,
Consumers' Project, Department of Labor

EVERY consumer's New Year's package of resolutions should include a determination to start, to join, and to assist the organization of consumer interests. Consumers must recognize that only through organization can they make known their needs and their wishes in an effective and responsible way. They must resolve to do this job for themselves, with their own funds, and under their own control. Only then will they be able to fulfill their obligations to themselves and to all other groups in the democratic process of give and take. When this is done, consumers may well resolve to demand for their interests the same respect, the same recognition, and the same results as are accorded to any organized group that knows its own business and frankly takes its own part.

William D. Overly

Consumers' Counsel,
Agricultural Adjustment Administration



FINALLY, for good measure, and because milk is beyond the reach of millions of children whose bodies are testimony to their need of the kind of nourishment that builds strong bones and sound teeth; and because milk does more for good nutrition than any other single food; and because milk is a source of from one-fifth to one-fourth of American farmers' income; CONSUMERS' GUIDE proposes that the over-producer and the under-consumer of milk jointly resolve:

That city consumers, wherever they are, get together with the dairy farmers nearest to them and talk over their mutual problems;

That both probe deep into the economics of milk;

That both support any measures or proposals of producers, consumers, industry, or government which give promise of increasing consumers' ability to buy and producers' ability to sell MORE MILK.



CONSUMERS' GUIDE

CONSUMERS' CALENDAR

THESE EVENTS MADE NEWS FOR CONSUMERS IN 1937

January

Report of the President's Committee on Administrative Management recommends that a Department of Welfare be created with a Secretary in the President's Cabinet. One of the proposed functions for this Department is "to protect the consumer."

February

First conclusions of the Consumer Purchases Survey of 1935-36 are re-

leased by the Bureau of Labor Statistics and the Bureau of Home Economics. Initial findings of this gigantic study of over 300,000 American consumers reveal facts about income and rent of typical families residing on and off America's Main Street. Communities of all sizes in representative sections of the country were covered in the survey. Complete findings will give the most comprehensive array of facts about

the spending habits of America's consumers ever gathered together. CONSUMERS' GUIDE will analyze for its readers reports on this survey.

February 24.—A Bureau of Cooperative Medicine, under sponsorship of the Cooperative League of the U. S. A., is established.

March

March 2.—Federal Trade Commission submits to Congress its report on the investigation it had been directed to make of agricultural income, including "the distribution of the consumer's dollar" between farmer, processor and distributor, and "the extent of control and monopoly in the handling or processing of the principal farm products." CONSUMERS' GUIDE translates these findings into popular form with a series of articles, starting in the May 17 issue.

March 9.—S. 5, a bill amending the Food and Drugs Act of 1906, passes the Senate.

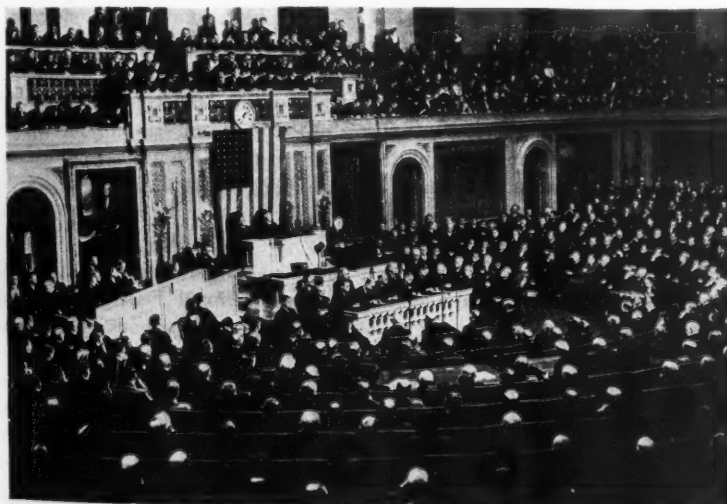
March 10.—North Dakota passes a law requiring high schools to offer an elective course for students in "cooperative marketing and consumers' cooperatives."

March 11.—Report of the President's Inquiry on Cooperative Enterprise in Europe is released. Specific recommendations propose:

"That a survey be made of consumer and service cooperatives in this country;

"I see one-third of a nation ill-housed, ill-clad, ill-nourished. It is not in despair that I paint you that picture. I paint it for you in hope—because the nation, seeing and understanding the injustice in it, proposes to paint it out. We are determined to make every American citizen the subject of his country's interest and concern; and we will never regard any faithful law-abiding group within our borders as superfluous. The test of our progress is not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have too little."

President Franklin D. Roosevelt
Second Inaugural Address, January 20, 1937



JANUARY 3, 1938

During 1937 the Rural Electrification Administration loaned 33 million dollars to rural electric co-ops, and organizations of a cooperative nature (mutual societies, public power districts, non-profit corporations), in 39 States of the Union. By the end of the year, these cooperative societies had 43,000 miles of line either built or in process of building. When completed, these will serve 130,000



farm families who will receive electric light and electric power on their farms for the first time. Fifty thousand are already getting electric service on cooperatively owned and operated lines. Loans for wiring farm homes, barns, chicken coops, etc., were made during 1937 by REA to 70 cooperative organizations. These loans total for the year just under one million dollars.

"That a Government agency be established to give information and advice to consumers' cooperatives;

"That 'steps be taken to assure consumer cooperatives credit parity'."

March 24.—First draft of a "model law" for State incorporation of consumer cooperative associations is approved by a committee of experts called together by Secretary of Labor Perkins.

March 29.—S. 1077, an act to give Federal Trade Commission jurisdiction, and among other things, to prohibit "unfair and deceptive acts and practices" as well as unfair methods of competition, passes the Senate.

April

April 26.—Bituminous Coal Act of 1937 recreating the National Bituminous Coal Commission goes into effect. This Commission has jurisdiction over price schedules for bituminous coal delivered to household and industrial consumers in all sections of the country. Re-created also is the office of Consumers' Counsel of the Bituminous Coal Commission, sole agency established by Congress with the name "consumer" in its

title, and with the single duty to represent consumer interests before officials charged with the control of prices of a consumer product. Appointed by the President with the advice and consent of the Senate, this Consumers' Counsel reports the results of his activities directly to the Congress.

April 26.—The Supreme Court of the United States upholds the validity of the Maine Cosmetic law which authorizes the State's Department of Health and Welfare "to regulate or to refuse the issuance of certificates of registration or to prohibit the sale of cosmetic preparations which in its judgment contain injurious substances in such amounts as to be poisonous, injurious or detrimental to the person." "Delegation of the power to exercise that judgment," says the Supreme Court, "is not obnoxious to the Constitution of Maine. . . And obviously, it contravenes no provision of the Federal Constitution."

April 26.—The Supreme Court of the United States in the case, the National Fertilizer Association vs. Bradley, upholds the "Open Formula" Amendment to the South Caro-

lina statutes which requires the disclosing of certain facts on a tag or label. The decision of the Court reiterated the decision handed down in the case, *Corn Products Refining Co. vs. Eddy* (249 U. S. 427, 431) which stated, "The right of a manufacturer to maintain secrecy as to his compounds and processes must be held subject to the right of the State, in the exercise of its police power and in promotion of fair dealing, to require that the nature of the product be fairly set forth."

April 28.—H. R. 6749—to provide for the incorporation of consumers' cooperatives in the District of Columbia, following the general principles of the "model law" for States drafted in March—is introduced and referred to the House Committee on the District of Columbia.

May

May 4.—Organization of a Consumers' National Federation, made up of consumer groups "not operated for profit . . . nor connected with profit-making organizations," and with headquarters in New York City, is announced to: Exchange and disseminate information on consumer programs and plans of action; con-

duct general educational service; promote common understanding among consumer groups; establish criteria by which bona fide consumer organizations may be identified.

June

A Consumer-Retailer Relations Platform is adopted by the National Retail Dry Goods Association which provides, among other things, for:

"Development of a plan for completely truthful and adequate factual merchandise information in advertising, labeling, store signs, sales promotion, selling talks, etc.

"Cooperation with manufacturers, retailers, and consumer representatives in developing standard terminology for retailer and buying public.

"Cooperation with manufacturer and consumer interests in development of standards of performance, durability, measurement, composition and fiber identification."

A Consumer-Retailer Relations Council is set up to coordinate efforts in behalf of the consumer. It is provided that this Council, which proposes to be financed "by voluntary consumer and retailer contributions" . . . "is at all times to be consumer-dominated."

June 14.—"Hot Oil" law extension to June 30, 1939, is approved by the President. This law aims to make effective State quotas on oil production, by prohibiting interstate shipment of "hot oil" (petroleum products produced in violation of State laws).

June 30.—Division of Self-Help Cooperatives of the W. P. A. is terminated.

July

July 22.—Minnesota's State Legislature appropriates \$5,000 to be used (1) to provide training and instruction in consumers' cooperation in elementary and secondary schools of

the State, and (2) to prepare suitable educational material.

August

Greater Detroit Renters and Consumers League is organized with some 12 affiliated groups and 15,000 individual members, and plans are laid to organize 22 neighborhood branches throughout the city.

August 1.—A Consumers' Division is created in Minnesota's State Department of Agriculture to investigate prices of commodities "essential to living" and to publish reports "so as to disclose the cost of production, the cost of distribution and the profits of each manufacturer, producer, dealer, wholesaler or retailer, of such necessities" and to publish prices deemed "to be fair retail prices in any given locality, in order that the public may know whether or not excessive profits are being exacted by any person, firm, association or corporation."

August 12.—A law requiring that potatoes be sold by United States grades in the District of Columbia is approved by the President.

August 17.—Miller-Tydings "Price Maintenance Act," attached as a rider to the appropriation bill for the District of Columbia is approved by the President. This law amends the Anti-Trust Act so as to legalize, in interstate commerce, resale price maintenance contracts entered into under State laws. On signing this tax bill President Roosevelt says of the rider: "I have decided to sign the bill in the hope that it will not be as harmful as most people predict, and I call attention to the fact that one of the principal objections to the rider is that the Departments opposing it believe it will seriously raise the cost of many articles to the consuming public. . ." (Forty-two

States now have resale price maintenance laws.)

September

Formation of the Institute of Consumer Economics at Stephens College, Columbia, Missouri, first educational institution to organize a separate consumer department.

September 1.—United States Housing Act (generally called the Wagner-Steagall Act) is approved. United States Housing Authority is set up, with an appropriation of \$26,000,000 over a total of 10 years and power to issue \$500,000,000 in bonds, to assist local public housing agencies in housing low-income families now living under slum conditions.

September 2.—Sugar Act of 1937, extending the principles of sugar control of the Jones-Costigan Act of 1934 and setting new quotas on both raw and refined sugar produced in continental United States, insular possessions, and Cuba, is approved by the President. In signing the bill, the President declares: "I am approving the bill with what amounts to a gentleman's agreement that the unholy alliance between the cane and beet growers on the one hand, and the seaboard refining monopoly on the other, has been terminated by the growers. . .

"Future legislation," says the President's statement, would "see to it that the American housewife is protected adequately."

September 6-9.—American delegates attending the International Cooperative Alliance's 15th Triennial Congress, propose formation of an international cooperative petroleum wholesale, for processing and shipping of oil from American to European co-ops.

October

A strike by 5,000 kosher meat dealers in New York City against prices and as a protest against the substitution of inferior for better grades of meat brings as one result the drafting of an ordinance for the compulsory grading of all meat sold in New York City.

October 1.—Group Health Association, composed of employees of Home Owners' Loan Corporation in Washington, D. C., opens a clinic to provide medical care and hospitalization on a group purchase, fixed-fee, pre-payment plan.

October 4.—American Federation of Labor in convention unanimously adopts the report of its Executive Council stating, "We heartily endorse Rochdale consumers' cooperation in principle. . . Our incomes must be protected both when we earn them and when we spend them if we are to make the greatest possible progress in raising living standards. Without this two-fold protection there is dangerous opportunity in any society for one group to discriminate against another."

October 11.—Cooperative League Institute, first national training school for the American consumer cooperative movement, opens a 4-month course in New York.

October 26.—"In the interest of fair competition and consumer protection," the Federal Trade Commission, after conferences with the industry, issues "Trade Practice Rules" for the rayon industry, defining "rayon" and requiring that materials made of rayon shall be "clearly and unequivocally" invoiced, labeled, and advertised as such. Provisions of these Rules make a big start toward better buying guides for textiles.

November

First steps are taken in New York toward the formation of a cooperative organization for the purchase and distribution of milk directly between the producer and the consumer. New York's State Commissioner of Agriculture and Markets announces his willingness to license such an organization "in the public interest." A consumers' cooperative will deal directly with a producers' cooperative.

November 7.—Chicago's United Conference against the High Cost of Living, endorsed by 150 organizations (including unions, churches, settlement houses, neighborhood clubs, etc.) meets to consider con-

sumer action on food and housing costs, and allied problems.

November 8.—The Supreme Court of the United States renders a decision in favor of the Federal Trade Commission in its case against the Standard Education Society, et al. Said the Court:

"There is no duty resting upon a citizen to suspect the honesty of those with whom he transacts business. Laws are made to protect the trusting as well as the suspicious."

November 26.—Secretary Wallace, reporting to the Congress on elixir of sulfanilamide deaths, states that during September and October of 1937 at least 73 persons died "as a

How Will Your City

1. Does your city have a market news broadcast that tells household buyers what are the best buys each morning, like the one furnished by the Consumers' Service Division of New York City's Department of Markets?

2. Does your city's Weights and Measures department have an effective education program in the public schools to acquaint young consumers with the importance of being watchful when they buy, as does the City of Detroit Department of Weights and Measures in cooperation with the Detroit Board of Education?

3. Does your Weights and Measures department have an aggressive enforcement policy, as does the New York City Department of Markets? Says the *New York Times*: "Chiseling the New York City consumer is not so easy as it used to

be. . . Now tradesmen 'gyper' are apprehended at the rate of 1,000 per month by inspectors of the Department. . ."

4. Does your city have an effectively operating plan for compulsory grading of meat, as does Seattle, Washington?

5. Has your city adopted the Standard Milk Ordinance for the protection of consumers, as have 774 other cities? Write to the U. S. Public Health Service, Washington, D. C., for facts about this Ordinance.

6. Do your public schools carry on programs of adult consumer education, as do the Los Angeles public schools? Three different courses on consumer problems have been organized for adults and a 3-hour session is held once a week in 30 different school buildings scattered throughout the city.

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direct result" of taking this drug, and that "20 other persons who took the elixir died but it has not yet been established that this drug was exclusively responsible.

"Before the 'elixir' was put on the market," Secretary Wallace reveals, "it was tested for flavor but not for its effect on human life. The existing Food and Drugs Act does not require that new drugs be tested before they are placed on sale. . . Since the Federal Food and Drugs Act contains no provision against dangerous drugs, seizures had to be based on a charge that the word 'elixir' implies an alcoholic solution, whereas this product was a diethylene glycol solution. Had the product been called a 'solution,' rather

than an 'elixir,' no charge of violating the law could have been brought. . . Most drug manufacturers recognize a responsibility to the public far greater than that imposed by existing law. Some are known to have considered making a solution of sulfanilamide in diethylene glycol before the 'elixir' was put on the market, but abandoned the idea on investigating the toxicity of the solvent. But the attitude of some drug makers is exemplified in (the manufacturer's) statement carried by the press on October 23: 'My chemists and I deeply regret the fatal results but there was no error in the manufacture of the product. . . I do not feel that there was any responsibility on our part. . .'

"That a few simple tests on experimental animals would have demonstrated the lethal properties of the elixir is evident from the work reported by the American Medical Association. . .

"While the 'elixir' incident has been spectacular and has received much publicity, aside from the brevity of the period in which the killings occurred, it is but a repetition of what has frequently happened in the past in the marketing of such dangerous drugs as dinitrophenol, cinchophen, and other toxic substances.

"It is worthy of note that, shocking as these instances have been, the actual toll in deaths and permanent injury from potent drugs is probably far less than that resulting from

ty and State Rate by 1939?

7. Are there organizations in your community which are providing an open forum for the discussion of consumer problems, as did the New Jersey College of Agriculture, New Jersey Milk Control Board, and the New Jersey Department of Agriculture in their "Consumers' Food Institute," held at Rutgers University, October 21, 1937?

8. Does your State have a Consumers' Division or similar office in its government to furnish information and make investigations on behalf of consumers, as do the States of Minnesota, New Jersey, and Michigan?

9. Does your State have a law which allows consumers to incorporate and operate under the cooperative principles of the Rochdale weavers? A tentative draft of a model State cooperative law, prepared by a committee of experts

called together by the Secretary of Labor, can be secured from the Consumers' Project, U. S. Department of Labor, Washington, D. C.

10. Does your State have a law and an office that adequately backs up the work of local Departments of Weights and Measures, and covers territory not covered by such local agencies?

11. Does your State have a Food and Drugs law which adequately protects you in the case of products manufactured and sold within your State?

12. Does your State have a law to keep dangerous cosmetics from the market, as does the State

of Maine? Of 5,000 cosmetics presented for registration, the great majority were accepted for registration, but 136 were banned, 23 were forced to change their formulas, and 72 were required to attach precautionary labels.

13. Does your State Department of Education have a program for aiding schools to work out programs of consumer education, as does the California State Department? This Department has issued an annotated 418-page bibliography on consumer education.

14. Does your State have a central clearing house of consumer educational and protective activities, as does Massachusetts through its Consumer Institutes?

Will your consumer programs for 1938 provide the answers to these questions?

harmless nostrums offered for serious disease conditions. In these cases the harmful effect is an indirect one. Sick people rely on false curative claims made for worthless concoctions, and thus permit their disease to progress unchecked. It may be too late when they lose confidence in the nostrum and seek rational treatment. . .

"In the interest of safety, society has required that physicians be licensed to practice the healing art. Pharmacists are licensed to compound and dispense drugs. Electricians, plumbers, and steam engineers pursue their respective trade under license. But there is no such control to prevent incompetent drug manufacturers from marketing any kind of lethal potion. . ."

Four recommendations for legislative action to protect the public follow in Secretary Wallace's report: "(1) License control of new drugs to insure that they will not be generally distributed until experimental and clinical tests have shown them to be safe for use. . . (2) Prohibition of drugs which are dangerous to health when administered in accordance with the manufacturer's directions for use. . . (3) Requirement that drug labels bear appropriate directions for use and warnings against probable misuse. . . (4) Prohibition

We anticipate objections which some alert readers may be prompted to make that our list of events, local and national, does not include all consumer-newsworthy occurrences of the year: (1) by apologizing for its possible incompleteness, due to the difficulty of keeping abreast with developments on a rapidly widening front, (2) by inviting readers to propose additions to this list. We shall be glad to publish in later issues any memory-joggings we receive.

tion of secret remedies by requiring that labels disclose fully the composition of drugs. . ."

November 28.—A Consumers' Council of Baltimore is formed with membership of unions, local organizations and individuals to "promote and carry on a program of action designed to protect the consumer by combating high living costs; to provide informational and educational service on consumers' problems; to coordinate the activity of community organizations whose program involves in whole or in part activity on behalf of the consumer."

December

December 1.—S. 3073 is introduced in the Senate, calling for certification (not licensing) of new drugs "not generally recognized as safe. . ."

December 6.—Amendments to the Federal Credit Union Act are approved by the President. One amendment provides for more liberal examination fees for federal credit unions, to aid smaller credit unions. A second allows federal credit unions to make loans to each other. A third insures more equitable taxation for federal credit unions making them subject only to property taxes. A fourth amendment authorizes the Farm Credit Administration to investigate and report on "the problems of persons of small means in obtaining credit at reasonable rates of interest and . . . the methods and benefits of cooperative saving and lending. . ."

December 8.—Michigan's Governor creates an office of Consumers' Counsel in the State's Department of Agriculture and lays plans for its functioning at the start of 1938.

December 11-12.—"The People vs. H. C. L." went on public trial before a two-day conference called by the Consumers' National Federation and attended by delegates from 52 trade unions; 31 neighborhood and 21 civic organizations; 25 consumer and cooperative groups; 11 religious bodies; 77 negro and 6 miscellaneous national organizations and some 60 other organized groups.

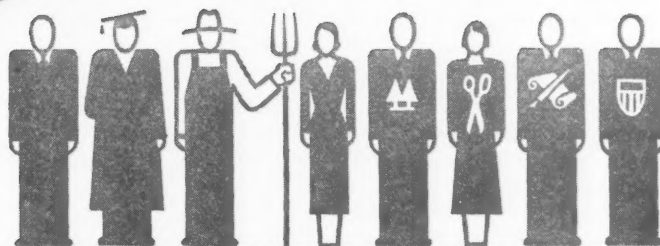
THROUGHOUT THE YEAR

Every week—a consumer program, broadcast by the Consumers' Counsel Division, A. A. A., in cooperation with the General Federation of Women's Clubs, via NBC's Red Network. Listen in on Tuesdays at 2:30 P. M., Eastern Standard Time, for facts that will help you in your household buying problems.

Check-up in our library shows consumer problems and consumer activities are bigger attention-getters than ever. More than 125 important articles appeared during the year in weekly and monthly periodicals, both popular and specialized. Total in 1936 was 97.

Government graders continue to roll up a formidable record. Official figures for 1936-1937 show they inspected and stamped for quality: 493,369,314 pounds of beef, veal, lamb, mutton, pork, sausage, lard; 3,536,754 pounds of poultry and game; 2,086,160 pounds of fish. No count is made of the number of cans of fruits and vegetables which went to market bearing quality grades, but official headquarters in Washington estimate there were more in 1937 than ever before.

1937 Consumer Quotes for 1938



"Consumer organization is definitely on the increase. . . The critical next stage of consumer organization concerns the effort to afford these many groups a common service of information of a high level, and a type of coherent leadership that will change scattered and intermittent activity into a continuous, intelligent force. . . In basic intent it aims only to do for the consumer what is already commonplace good sense and routine practice in the fields of business and industry and labor."

ROBERT S. LYND, *Professor*

"Consumers' interests seem to follow three broad lines: First, an interest in the working conditions under which merchandise is produced and distributed; second, an interest in standards, specifications and accurate labeling (or other advertising); third, an interest in measures that affect price, whether arising from monopolistic privileges or from inefficiencies that increase costs.

"A consumers' movement that can protect consumers' interests along all of these lines must be intellectually and financially independent. The special interests of producers along each line are obvious, and they may be at variance with consumers' interests."

PERCY S. STRAUS, *Merchant*

"Let's get down to cases on what this right-wing Consumers' Movement can mean in our sales planning, for both manufacturers and retailers. . . Eight million women, and more, are ready to be used in every manufacturer's and retailer's sales promotion plan."

MRS. LOIS B. HUNTER, *Copywriter*

"The consumer, ultimate master of the business world, is writing a new chapter of commercial history. By weight of numbers and by the rising crescendo of demands the pattern of merchandising is effectively being changed. The business world listens and takes heed when the nation's strongest consumer organizations say 'We want more facts about your merchandise in order that we may buy more wisely.' They are saying in a language that cannot be misunderstood that in addition to fashion they want information about the grade and about the use and care of the things which they buy. This movement is no passing fad because it has been slow in maturing and, having learned to walk is now ready to run. In the last six months it has become a dominant note in consumer relations."

Editorial, trade journal

"Labels should explain price differences. Consumers have learned that a higher price does not necessarily mean higher quality or that the merchandise will do a specific job any better. When 3 or 4 articles that look exactly alike are priced differently, the consumer asks 'why?' Are there 'hidden' values in the higher priced one? If so, what are they? The label should answer, not in glowing generalities, but in definite facts about construction or performance."

RUTH O'BRIEN, *Chief, Division of Textiles and Clothing, Bureau of Home Economics*

"Standardization will develop as fast and as far as the groups concerned want it to, and as it can prove its usefulness in effecting economies. . . A few years ago retailers and manufacturers were asking each other, 'Does the consumer really want standards?' That question has been answered. . . The need for standards has been established. There still remains the long term pull of getting these standards developed. The path ahead is a steep and hard one."

P. G. AGNEW, *Secretary, American Standards Association*

"The bewildered consumer, who wants to know 'how warm it is,' is it preshrunk, fast color, water repellent, etc.; further confused by the conflicting claims and promises and ambiguities of high pressure, competing sales campaigns, has been sorely in need of sane, intelligent guidance. . . Business has suddenly discovered that organized consumers not only are beginning to know what they want, but that they have—or soon will have—the power to get what they want."

H. W. BRIGHTMAN, *Chairman,*
merchandising division, National
Retail Dry Goods Association

"The question 'What does the consumer expect in fiber identification?' might well be answered in this phrase: 'The right to choose what she is buying.' . . . Fiber identification is the beginning, not the final step, toward the wise buying of textile fabrics."

JULIA K. JAFFRAY, *New York*
City Federation of Women's
Clubs

"The fact that a false statement may be obviously false to those who are trained and experienced does not change its character, nor take away its power to deceive others less experienced. There is no duty resting upon a citizen to suspect the honesty of those with whom he transacts business. Laws are made to protect the trusting as well as the suspicious. The best element of business has long since decided that honesty should govern competitive enterprises, and that the rule of *caveat emptor* should not be relied upon to reward fraud and deception."

The Supreme Court of the United States in *Federal Trade Commission vs. Standard Education Society*

"Lucid simplicity of method, as opposed to technical obscurity, prom-

ises to reinvigorate the movement toward informative labeling of sheets, towels, blankets, and related lines of dry goods. . . Such an approach, judging by the developments of recent months, is now slowly emerging, although regretably enough, it comes from the consumer rather than the manufacturing side of the issue. . .

"The departure from past methods would be in the manner of presenting the facts. Technical terms would be translated into language understandable to the layman. Instead of leaving the translation to the enthusiastic but scientifically unskilled pen of the writer of blurbs, the rendering of laboratory data into simple words would become a matter of standardization under the direction of a nationally recognized technical association or government agency."

WIL GREENE, *Editor*

"The purchase of canned foods is still a game of chance played with loaded dice. Read 'em and weep! There is no Federal law requiring simple, intelligible labeling of quality grades to steer Momma through the labyrinth of labels made lovely by pretty pictures and misleading adjectives."

WILLIAM WEST, *Writer*

"This same law (passed in 1937 by the Washington State legislature) requires each baker to file prices of all his products. . . It is illegal and punishable by removal of license for any baker to sell his products at any price less than his 'filed' prices. . . 'Believe it or not,' dear readers, but this little price-filing clause, under threat of license removal, is actually creating price uniformity. . ."

WALLACE MACPHERSON, *Federal*
Bakery, Tacoma, Washington

"A free competitive system can only work if every unit continually ad-

justs itself to changing conditions, and that means reduction of prices when it is necessary. . . The trouble with our system is that it is half-free and half-monopolistic, half-flexible and half-rigid."

LEON HENDERSON, *economic ad-*
visor, Works Progress Adminis-
tration

"The way to control unjustifiable price advances is by increasing production. This can be done so long as there are unused natural resources and an abundance of money at reasonable rates."

MARRINER S. ECCLES, *Chairman,*
Federal Reserve Board

"Today the Government itself can not get competitive bids in basic products, the welfare of our people is dislocated by disparities between controlled and free prices, great industries in slack times hold their prices though their volume falls and their labor is idle, small business men in many lines of useful enterprise are falling like autumn leaves and the profits of commerce concentrate in fewer hands. This is a condition that I would label 'Handle with care—inflammable.'"

ROBERT H. JACKSON, *Assistant*
Attorney General of the United
States

"It is to the advantage of both the agricultural producer and the urban and rural consumer to reduce the spread between producers' receipts and consumers' payments, so that the producer may get more and the consumer pay less. The only way that either producers or consumers can positively control this is by the organization of their own cooperative enterprise."

JACOB BAKER, *Member, President's*
Inquiry on Cooperative Enter-
prise in Europe

"Now look, if you will, at America—a nation that is restless and impatient of restraint; a nation that buys its shoe shines and plays slot machines; a nation where all the women discard hats and clothes when the style changes, instead of when they are worn out. . . Perhaps an American form of consumer cooperative, suited to the peculiar genius of the American people, will be developed. There are as yet no signs of such development. Until that time. . . consumer cooperatives will continue to play an extremely minor role in American business life."

CLEM D. JOHNSTON, *Director*,
Chamber of Commerce of the
United States of America

"I do not believe that consumer cooperation will replace private business in the United States. Neither do I believe that private business can stop the development of consumer cooperation here. But honest competition between the two will be good for both, and for the consumer."

CLIFFORD V. GREGORY, *Member*,
President's Inquiry on Cooperative Enterprise in Europe

"To our intimate knowledge, no producer nor marketing association has in any way come near to solving the marketing problem except by some form of producer-consumer compact. Not until the producers are privileged to meet the organized consumer at the city gate may we hope to attain success in this direction. The keys of the city logically belong to the consumer dweller. We of the Farm Cooperatives desire to do our part that the consumer may speedily, yet peacefully, gain possession."

ROLAND N. BENJAMIN, *President*,
Pennsylvania Farm Bureau Federation

OUTLOOK FOR FOOD SUPPLIES

in 1938



Behind the ups and downs in food prices which may occur in 1938 will be two basic facts: incomes of consumers, and supplies from producers. Agricultural experts make these predictions of food supplies for the coming year. Check them against the changes in prices you pay

MEATS

Total supplies probably will be larger, with most of the increase during the last half of 1938. The increase will be largely in pork and better grades of beef. Due to larger supplies and smaller consumer incomes, meat prices are expected to average lower than during the present year. Prospective changes in meat supply by kinds are as follows:

Lamb: Total supplies most likely will not differ from the current year, but a larger slaughter of grain-fed lambs is in prospect.

Beef and Veal: Slightly smaller supplies are expected, but slaughter will include a larger proportion of better grade or grain-fed cattle. Reduced slaughter of grain-fed cattle this fall was a major factor behind high meat prices. Largest increase over 1937 in better grade

cattle slaughter most likely will come from May through October.

Hogs: A substantial increase in number of hogs slaughtered is in prospect for 1938, with most of the upturn during the last half of the year. An increase in hog weights will further tend to boost available supplies.

Poultry: Marketings are expected to be below their 1937 level during the first half of 1938 but above current supplies during the remainder of the year. Extent of the latter increase will depend upon hatchings next spring. Winter broiler production probably will be considerably above average.

Turkeys: A larger turkey crop is in prospect for the holiday season one year hence.

EGGS

Marketings probably will be much smaller due to a decrease in the size of laying flocks, and an expected lower production per hen. During the early winter of 1938, when pullets from the spring hatch commence to lay, production may advance to current levels.

DAIRY PRODUCTS

No material change in milk production is expected in 1938. During the winter feeding period which ends in May, per capita milk production most likely will be slightly larger than during the preceding feeding period and about the same as average per capita supplies for the past 10 years. During the spring and summer pasture conditions will determine changes in production from 1937.

FRUITS

Apples: Marketings during the first half of 1938 most likely will be much larger than in 1937. Supplies during the last half of the year will depend upon the size of the 1938 apple crop.

Grapefruit: Supplies during the first three-quarters of 1938 probably will be smaller than in 1937, but above any other year. Marketings during the last 3 months come from the new crop.

Oranges: Total supplies probably will be substantially bigger than in 1936-1937 due to a bumper crop, with most of the increase after April. Production of winter and spring varieties of oranges which move to market from October through May is of record size and slightly larger than a year ago. The California Valencia or summer orange crop, which is marketed from May through October, is expected to be about 50 percent larger than the season just ended. Valencia oranges comprise about one-half the crop this year.

Lemons: Slightly larger supplies than last year are in prospect, with production the second largest on record.

TREE NUTS

Nut supplies during the 1937-1938 marketing year will be substantially larger than in 1936-1937, and close to record size. Record crops of almonds, walnuts, filberts, and an above average pecan crop are expected. Largest increases over 1936-1937 are in prospect for almonds and pecans.

RICE

Supplies for 1937-1938 marketing will exceed any other year on record with most of the increase in the southern producing States. A heavy carryover at the end of the marketing year next summer is in prospect.

DRY EDIBLE BEANS

1937-1938 supply is expected to be much larger than in 1936-1937 and above average. During the past season supplies were relatively small due to drought conditions, and prices advanced sharply. Most of the increase is in great northern and lima beans, for supplies of pinto and pea beans are expected to about equal the average of recent years.

TRUCK CROPS

Production of commercial truck crops during 1938 most likely will equal or slightly exceed the record volume of the past year if yields are about average. Acreage increases are expected in lettuce, onions, and lima beans, with most other commodities holding close to their 1937 harvested acre level. The slight decrease in acreage reported for the early producing States, which ship during the winter months, probably will be offset by increases in intermediate and late producing States.

CANNED VEGETABLES

Total supplies in 1937-1938 are indicated to be the largest on record, and about 15 to 20 percent above 1936-1937. Supplies of sweet corn, lima beans, beets, snap beans, and green peas are substantially larger than in 1936-1937. Tomato supplies will show little change.

QUICK FROZEN VEGETABLES

Volume is expected to be larger than a year ago with particularly marked increases in peas and lima beans. Quick frozen vegetables, however, still represent a small part of total vegetable supplies.

SWEETPOTATOES

Supplies during the first half of 1938 come from storage holdings of the 1937 crop and are expected to exceed those of the preceding year. The 1938 crop, which is the source of supplies during the remainder of the year, probably will be larger than the 1937 crop.

POTATOES

During the first half of 1938 supplies are primarily from storage holdings of 1937 late grown potatoes and most likely will be somewhat larger than in 1937. Marketings during the last six months will depend on the outturn of the 1938 late potato crop.

WHEAT

Marketings during 1937-1938 probably will be substantially above 1936-37. The combined winter and spring crop is over one-third larger than a year ago and wheat exports instead of imports are in prospect. While production of durum wheat, used primarily for macaroni, is three times as large as last year's short crop, it is slightly more than half of average production. Other spring wheat is slightly below average, but winter wheat is above average production.

☆☆ For 1938's *Consumer Bookshelf* ☆☆



Significant Government publications of 1937 which should be on the shelves of public, school, club, and home libraries for people who take their buying problems seriously. If you wish any of these publications for your bookshelf, the CONSUMERS' GUIDE will be glad to tell you how to order. Address, Consumers' Counsel Division, Washington, D. C.

CONSUMERS' GUIDE

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Agricultural Adjustment Administration, U. S. Department of Agriculture
Washington, D. C.

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